

Federal Acquisition Regulation

4.1101

the Government payment office and submitted to a disbursing official, the TIN of the contractor receiving payment under the voucher. The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the contractor's relationship with the Government.

(b) *Information reporting to the IRS.* The TIN is also required for Government reporting of certain contract information (see 4.903) and payment information (see 4.904) to the IRS.

4.903 Reporting contract information to the IRS.

(a) 26 U.S.C. 6050M, as implemented in 26 CFR, requires heads of Federal executive agencies to report certain information to the IRS.

(b)(1) The required information applies to contract modifications—

(i) Increasing the amount of a contract awarded before January 1, 1989, by \$50,000 or more; and

(ii) Entered into on or after April 1, 1990.

(2) The reporting requirement also applies to certain contracts and modifications thereto in excess of \$25,000 entered into on or after January 1, 1989.

(c) The information to report is—

(1) Name, address, and TIN of the contractor;

(2) Name and TIN of the common parent (if any);

(3) Date of the contract action;

(4) Amount obligated on the contract action; and

(5) Estimated contract completion date.

(d) Transmit the information to the IRS through the Federal Procurement Data System (see Subpart 4.6 and implementing instructions).

4.904 Reporting payment information to the IRS.

26 U.S.C. 6041 and 6041A, as implemented in 26 CFR, in part, require payors, including Government agencies, to report to the IRS, on Form 1099, payments made to certain contractors. 26 U.S.C. 6109 requires a contractor to provide its TIN if a Form 1099 is required. The payment office is responsible for submitting reports to the IRS.

4.905 Solicitation provision.

The contracting officer shall insert the provision at 52.204-3, Taxpayer Identification, in solicitations that—

(a) Do not include the provision at 52.204-7, System for Award Management; and

(b) Are not conducted under the procedures of part 12.

[68 FR 56672, Oct. 1, 2003, as amended at 77 FR 69718, Nov. 20, 2012; 78 FR 37678, June 21, 2013; 80 FR 26427, May 7, 2015]

Subpart 4.10—Administrative Matters

SOURCE: 62 FR 51230, Sept. 30, 1997, unless otherwise noted.

4.1001 Policy.

Contracts may identify the items or services to be acquired as separately identified line items. Contract line items should provide unit prices or lump sum prices for separately identifiable contract deliverables, and associated delivery schedules or performance periods. Line items may be further subdivided or stratified for administrative purposes (e.g., to provide for traceable accounting classification citations).

[62 FR 51230, Sept. 30, 1997]

Subpart 4.11—System for Award Management

SOURCE: 68 FR 56672, Oct. 1, 2003, unless otherwise noted.

4.1100 Scope.

This subpart prescribes policies and procedures for requiring contractor registration in the System for Award Management (SAM) database to—

(a) Increase visibility of vendor sources (including their geographical locations) for specific supplies and services; and

(b) Establish a common source of vendor data for the Government.

[68 FR 56672, Oct. 1, 2003, as amended at 77 FR 188, Jan. 3, 2012; 78 FR 37678, June 21, 2013]

4.1101 Definition.

As used in this subpart—

Agreement means basic agreement, basic ordering agreement, or blanket purchase agreement.

[48 FR 42113, Sept. 19, 1983, as amended at 69 FR 76345, Dec. 20, 2004]

4.1102 Policy.

(a) Prospective contractors shall be registered in the SAM database prior to award of a contract or agreement, except for—

(1) Purchases under the micro-purchase threshold that use a Governmentwide commercial purchase card as both the purchasing and payment mechanism, as opposed to using the purchase card for payment only;

(2) Classified contracts (*see* 2.101) when registration in the SAM database, or use of SAM data, could compromise the safeguarding of classified information or national security;

(3) Contracts awarded by—

(i) Deployed contracting officers in the course of military operations, including, but not limited to, contingency operations as defined in 10 U.S.C. 101(a)(13) or humanitarian or peace-keeping operations as defined in 10 U.S.C. 2302(7);

(ii) Contracting officers located outside the United States and its outlying areas, as defined in 2.101, for work to be performed in support of diplomatic or developmental operations, including those performed in support of foreign assistance programs overseas, in an area that has been designated by the Department of State as a danger pay post (*see* http://aoprals.state.gov/Web920/danger_pay_all.asp); or

(iii) Contracting officers in the conduct of emergency operations, such as responses to natural or environmental disasters or national or civil emergencies, e.g., Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121);

(4) Contracts with individuals for performance outside the United States and its outlying areas;

(5) Contracts to support unusual or compelling needs (*see* 6.302-2);

(6) Contract actions at or below \$30,000 awarded to foreign vendors for work performed outside the United States, if it is impractical to obtain System for Award Management registration; and

(7) Micro-purchases that do not use the electronic funds transfer (EFT) method for payment and are not required to be reported (*see* subpart 4.6).

(b) If practical, the contracting officer shall modify the contract or agreement awarded under paragraph (a)(3) of this section to require SAM registration.

(c)(1)(i) If a contractor has legally changed its business name, “doing business as” name, or division name (whichever is shown on the contract), or has transferred the assets used in performing the contract, but has not completed the necessary requirements regarding novation and change-of-name agreements in Subpart 42.12, the contractor shall provide the responsible contracting officer a minimum of one business day’s written notification of its intention to change the name in the SAM database; comply with the requirements of Subpart 42.12; and agree in writing to the timeline and procedures specified by the responsible contracting officer. The contractor must provide with the notification sufficient documentation to support the legally changed name.

(ii) If the contractor fails to comply with the requirements of paragraph (c)(1)(i) of the clause at 52.204-13, System for Award Management Maintenance, or fails to perform the agreement at 52.204-13, paragraph (c)(1)(i)(C), and, in the absence of a properly executed novation or change-of-name agreement, the SAM information that shows the contractor to be other than the contractor indicated in the contract will be considered to be incorrect information within the meaning of the “Suspension of Payment” paragraph of the EFT clause of the contract.

(2) The contractor shall not change the name or address for electronic funds transfer payments (EFT) or manual payments, as appropriate, in the SAM record to reflect an assignee for the purpose of assignment of claims (*see* subpart 32.8, Assignment of Claims).

(3) Assignees shall be separately registered in the SAM database. Information provided to the contractor’s SAM record that indicates payments, including those made by EFT, to an ultimate recipient other than that contractor